



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

FEB 12 2013

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Mr. Marion Vines  
Blackjack Oil Company  
P.O. Box 19195  
Natchez, Mississippi 39165

Re: Consent Agreement and Final Order  
Blackjack Oil Company, Inc.  
Docket Number: CWA-04-2013-5128(b)  
P.B.

Dear Mr. Vines:

Enclosed is a copy of the fully executed Consent Agreement and Final Order (CA/FO) as filed with the Regional Hearing Clerk (RHC) in the above referenced matter. The CA/FO was effective upon filing with the RHC. The payment of the civil penalty is to be paid within thirty (30) calendar days of the effective date of the CA/FO, in accordance with Paragraph 16 of the CA/FO.

Also enclosed is a copy of a document titled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts Blackjack Oil Company, Inc. on notice of its potential duty to disclose to the Securities and Exchange Commission any environmental actions taken by the EPA.

If you have any questions, please feel free to contact Roberto X. Buso, Assistant Regional Counsel, at (404) 562-8530.

Sincerely,

César Zapata, Chief  
RCRA and OPA Enforcement and Compliance Branch  
RCRA Division

Enclosures

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4**

IN THE MATTER OF	)	CWA SECTION 311 CLASS I
	)	CONSENT AGREEMENT AND
Black Jack Oil Company, Inc.	)	FINAL ORDER
P.O. Box 19195	)	UNDER 40 C.F.R. § 22.13(b)
Natchez, Mississippi 39165	)	
	)	
Respondent	)	Docket No. CWA-04-2013-5128(b)
_____	)	

**RECEIVED  
EPA REGION IV  
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HEARING CLERK**

**I. LEGAL AUTHORITY**

1. This Consent Agreement is proposed and entered into under the authority vested in the Administrator of the U.S. Environmental Protection Agency (“EPA”) by Section 311(b)(6)(B)(i) of the Clean Water Act (“CWA”), 33 U.S.C. § 1321(b)(6)(B)(i), as amended by the Oil Pollution Act of 1990, and under the authority provided by 40 C.F.R. §§ 22.13(b) and 22.18(b)(2). The Administrator has delegated these authorities to the Regional Administrator of the EPA, Region 4, who has in turn delegated these authorities through the Director, RCRA Division, to the Chief, RCRA and OPA Enforcement and Compliance Branch, RCRA Division (“Complainant”).

**II. CONSENT AGREEMENT**

2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to settle this action. Accordingly, before any testimony has been taken upon the pleadings and without any admission of violation or adjudication of any issue of fact or law, and in accordance with 40 C.F.R. § 22.13(b), Complainant and Respondent have agreed to the execution of this Consent Agreement and Final Order (“CAFO”), and Respondent hereby agrees to comply with the terms of this CAFO. For purposes of this CAFO and settlement of this action, Respondent admits to the jurisdictional statements contained herein.

### III. STIPULATIONS

3. Respondent, Black Jack Oil Company, Inc., is a company organized under the laws of the State of Mississippi, with its principal office located at 305 Creekbend Road, Natchez, Mississippi 39120. Respondent is a “person” within the meaning of Section 311(a)(7) of the CWA, 33 U.S.C. § 1321(a)(7).

4. Respondent is the “owner” and “operator,” within the meaning of Section 311(a)(6) of the CWA, 33 U.S.C. § 1321(a)(6), of a petroleum production and holdover facility located in Middle Fork Oil Field, Franklin County, Mississippi (“Facility”).

5. The Facility is an “onshore facility” within the meaning of Section 311(a)(10) of the CWA, 33 U.S.C. § 1321(a)(10).

6. Cameron Creek is located adjacent to the Middle Fork Oil Field, and flows to Middle Fork Creek. Cameron Creek and Middle Fork Creek are navigable waters as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and 40 C.F.R. § 110.1, and are therefore subject to the jurisdiction of Section 311 of the CWA, 33 U.S.C. § 1321.

7. Crude oil constitutes “oil” within the meaning of Section 311(a)(1) of the CWA, 42 U.S.C. § 1321(a)(1).

8. Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3), prohibits the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines in such quantities as may be harmful.

9. Pursuant to Section 311(b)(4) of the CWA, 33 U.S.C. § 1321(b)(4), the criteria for determining the quantities of oil that may be harmful and thereby prohibited under Section 311(b)(3), 33 U.S.C. § 1321(b)(3), are codified at 40 C.F.R. § 110.3 to include discharges of oil that cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines or cause a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shorelines.

#### **IV. ALLEGATIONS**

Complainant alleges, and Respondent neither admits nor denies, that:

10. On or about September 17, 2012, Respondent discharged approximately 30 barrels of crude oil from a ruptured wellhead at its Facility into Cameron Creek and Middle Fork Creek.

11. The discharge described above caused a film or sheen, within the meaning of 40 C.F.R. § 110.3, to be present on the surface of a navigable water and its adjoining shorelines and, therefore, was in a quantity that has been determined to be harmful.

12. Accordingly, Respondent violated Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3).

#### **V. WAIVER OF RIGHTS**

13. Solely for the purpose of this CAFO, Respondent waives the right to contest the allegations contained herein, to a hearing under Section 311(b)(6)(B)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(B)(i), to appeal any Final Order in this matter under Section 311(b)(6)(G)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(G)(i), and consents to the issuance of a Final Order without further adjudication.

#### **VI. PENALTY**

14. Respondent consents to the payment of a civil penalty of SIXTEEN THOUSAND DOLLARS (\$16,000).

15. By executing this CAFO, Respondent certifies that all violations alleged herein have been corrected.

#### **VII. PAYMENT TERMS**

Based on the foregoing, the parties, in their own capacity or by their attorney or authorized representatives, hereby agree that:

16. No later than thirty (30) days after the effective date of the Final Order, Respondent shall pay the penalty by means of a corporate cashier's or certified check, by electronic funds transfer ("EFT"), or on-line. If paying by check, Respondent shall submit a corporate cashier's or certified check, payable to "Environmental Protection Agency." The check shall bear the notation "OSLTF – 311," along with the title and docket number of this case.

If Respondent sends payment by the U.S. Postal Service, the payment shall be sent to:

U.S. Environmental Protection Agency  
**Fines and Penalties**  
Cincinnati Finance Center  
Post Office Box 979077  
St. Louis, Missouri 63197-9000

If Respondent sends payment by an overnight commercial delivery service such as DHL, FedEx or UPS, the payment shall be sent to:

U.S. Bank  
Government Lockbox 979077  
**U.S. EPA Fines & Penalties**  
1005 Convention Plaza  
SL-MO-C2-GL  
St. Louis, Missouri 63101  
314-418-1028

If Respondent sends payment by wire transfer, the wire transfer should be directed to the Federal Reserve Bank of New York:

Federal Reserve Bank of New York  
ABA = 021030004  
Account = 68010727  
SWIFT address = FRNYUS33  
33 Liberty Street  
New York, New York 10045  
Field Tag 4200 of the Fedwire message should read  
"D 68010727 Environmental Protection Agency"

Respondent may also elect the On Line Payment Option, available through the Department of Treasury. This payment option can be accessed at [www.pay.gov](http://www.pay.gov). Enter "sfo 1.1" in the search field and then open the form and complete required fields.

17. Respondent shall submit copies of the check (or, in the case of a wire transfer or on-line payment, a copy of the wire transfer or on-line confirmation) to the following people:

Patricia Bullock  
Regional Hearing Clerk  
U.S. EPA, Region 4  
Atlanta Federal Center  
61 Forsyth Street, SW  
Atlanta, Georgia 30303-8960

and to:

Larry Lamberth, Chief  
South Enforcement and Compliance Section  
RCRA and OPA Enforcement and Compliance Branch  
RCRA Division  
U.S. EPA, Region 4  
Atlanta Federal Center  
61 Forsyth Street, SW  
Atlanta, Georgia 30303-8960

18. Penalties paid pursuant to this CAFO are not deductible for federal purposes under 26 U.S.C. § 162(f).

19. If Respondent fails to remit the civil penalty as agreed to herein, the EPA is required to assess interest, penalties, and a charge to cover the costs of processing and handling the delinquent claim. Interest, at the statutory judgment rate provided for in 31 U.S.C. § 3717, will begin to accrue on the civil penalty if not paid as specified above. Pursuant to 31 U.S.C. § 3717, Respondent must pay the following amounts on any amount overdue:

- (a) Interest. Any unpaid portion of a civil penalty must bear interest at the rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717(a)(1). Interest will therefore begin to accrue on a civil penalty if it is not paid by the last date required. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 4 C.F.R. § 102.13(c).
- (b) Monthly Handling Charge. Respondent must pay a late payment handling charge of \$15.00 on any late payment, with an additional charge of \$15.00 for each subsequent thirty (30) calendar day period over which an unpaid balance remains.
- (c) Non-Payment Penalty. On any portion of a civil penalty more than ninety (90) calendar days past due, Respondent must pay a non-payment penalty of six percent (6%)

per annum, which will accrue from the date the penalty payment became due and is not paid. This non-payment is in addition to the charges which may accrue under subparagraphs (a) and (b).

20. If Respondent fails to meet the payment requirements set forth above, the entire unpaid balance of the penalty and all accrued interest shall become due immediately upon such failure, and Respondent shall immediately pay the entire penalty including the remaining principal balance of the civil penalty along with any interest that has accrued up to the time of payment. In addition, Respondent shall be liable for and shall pay administrative handling charges and late payment penalty charges as described above in the event of such failure or default.

21. Further, if Respondent fails to meet the payment requirements set forth above, the EPA may refer the debt to a collection agency, a credit reporting agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. In any such collection action, the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review.

### **VIII. GENERAL PROVISIONS**

22. The Final Order shall be binding upon Respondent and Respondent's officers, directors, agents, and successors or assigns.

23. The Final Order does not constitute a waiver, suspension or modification of the requirements of Section 311 of the CWA, 33 U.S.C. § 1321, or any regulations promulgated thereunder, and does not affect the right of the Administrator or the United States to pursue any applicable injunctive or other equitable relief or criminal sanctions for any violation of law.

24. Payment of the penalty pursuant to this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts stipulated to and alleged herein.

25. The undersigned representative of Respondent hereby certifies that he or she is fully authorized to enter into and execute this Consent Agreement and to legally bind Respondent to the terms and conditions of this Consent Agreement and the attached Final Order.

26. A copy of any documents that Respondent files in this action shall be sent to the following attorney who represents the EPA in this matter and who is authorized to receive service for the EPA in this proceeding:

Roberto X. Busó  
Assistant Regional Counsel  
Office of Environmental Accountability  
U.S. Environmental Protection Agency, Region 4  
Atlanta Federal Center  
61 Forsyth Street, SW  
Atlanta, Georgia 30303-8960  
404-562-8530  
[buso.roberto@epa.gov](mailto:buso.roberto@epa.gov)

27. A copy of any documents that Complainant files in this action shall be sent to the following individual who represents Respondent in this matter and who is to receive service for Respondent in this proceeding:

Mr. Marion Vines  
Blackjack Oil Company, Inc.  
P.O. Box 19195  
Natchez, Mississippi 39165

**[SIGNATURES ON NEXT PAGE]**

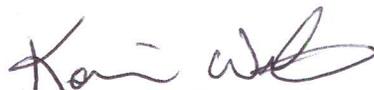
**IX. EFFECTIVE DATE**

28. This Consent Agreement and Final Order is effective when the Final Order is filed with the Regional Hearing Clerk.

**CONSENTED AND AGREED TO:**

By: BLACK JACK OIL COMPANY, INC.

Date: 1/29/13

  
\_\_\_\_\_  
Kevin L. Wilson  
President, Director

By: U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: 02/05/13

 for  
\_\_\_\_\_  
César A. Zapata  
Chief, RCRA and OPA Enforcement and Compliance  
Branch  
RCRA Division

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4**

IN THE MATTER OF	)	CWA SECTION 311 CLASS I
	)	CONSENT AGREEMENT AND
Black Jack Oil Company, Inc.	)	FINAL ORDER
P.O. Box 19195	)	UNDER 40 C.F.R. § 22.13(b)
Natchez, Mississippi 39165	)	
	)	
Respondent	)	Docket No. CWA-04-2013-5128(b)
_____	)	

**FINAL ORDER**

The foregoing Consent Agreement is hereby approved, ratified and incorporated by reference into this Final Order in accordance with the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits*, 40 C.F.R. Part 22. Respondent is hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.

**BEING AGREED, IT IS SO ORDERED** this 12 day of February, 2013.

BY: Susan B. Schub  
Susan Schub  
Regional Judicial Officer

## CERTIFICATE OF SERVICE

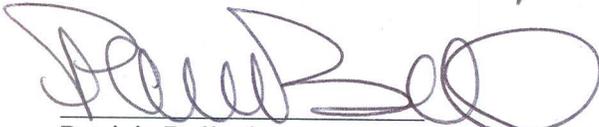
I hereby certify that I have this day served a true and correct copy of the Foregoing Consent Agreement and Final Order, in the matter of Black Jack Oil Company, Inc., Docket No. CWA-04-2013-5128(b), on the parties listed below in the manner indicated:

Roberto Busó (Via EPA's internal mail)  
Assistant Regional Counsel  
Office of Environmental Accountability  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street, SW  
Atlanta, Georgia 30303

Quantindra Smith (Via EPA's internal mail)  
RCRA & OPA Enforcement and Compliance Branch  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street, SW  
Atlanta, Georgia 30303

Mr. Marion Vines (Via Certified Mail)  
Blackjack Oil Company  
P.O. Box 19195  
Natchez, Mississippi 39165

Dated this 12 day of February, 2013.



Patricia Bullock  
Regional Hearing Clerk  
U.S. EPA – Region 4  
Atlanta Federal Center  
61 Forsyth Street, SW  
Atlanta, Georgia 30303-8960